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# Oregon Health Authority: Supporting Primary Care

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# Presentation overview

- State of primary care
- Oregon Health Authority (OHA) levers to support primary care:
  - **Improving how primary care providers are paid**
  - **Increasing payment for primary care**
  - **Improving the primary care delivery system**
  - **Investing in the primary care workforce**

# OHA is helping address primary care system challenges

- Oregon's primary care system faces challenges, which were exacerbated by COVID
  - Primary care providers report they are not reimbursed for all elements of patient-centered care they provide, and can only cover their costs by decreasing visit length and increasing the number of daily appointments
  - There are significant primary care workforce shortages
- OHA supports primary care by:
  - Improving how primary care providers are paid
  - Increasing payment for primary care
  - Improving the primary care delivery system
  - Investing in the primary care workforce

# Changing how primary care providers are paid leads to better care

*The past decade has seen a national movement away from traditional fee-for-service payment toward value-based payment (VBP)*

Traditional fee-for-service payment

↑ volume = \$

Value-based payment

↑ value = \$

For providers, VBP can support sustainable payment & their ability to holistically meet patients' needs

*Improving how primary care providers are paid*

# OHA is supporting strategies to move to value-based payment

## Value-based Payment Compact

- Voluntary commitment by payers and providers to spread VBPs by meeting specified VBP targets and timelines

## Primary Care Payment Reform Collaborative

- Collaborative required by 2015 legislation to support: 1) increased investment in primary care, 2) improved payment methods, and 3) aligned payment

## Primary care VBP model

- VBP Compact Workgroup requested the Collaborative develop a primary care VBP model for voluntary adoption across Oregon.
- Model rewards quality and supports timely, coordinated, team-based care

***Improving how primary care providers are paid***

# Increasing primary care payment

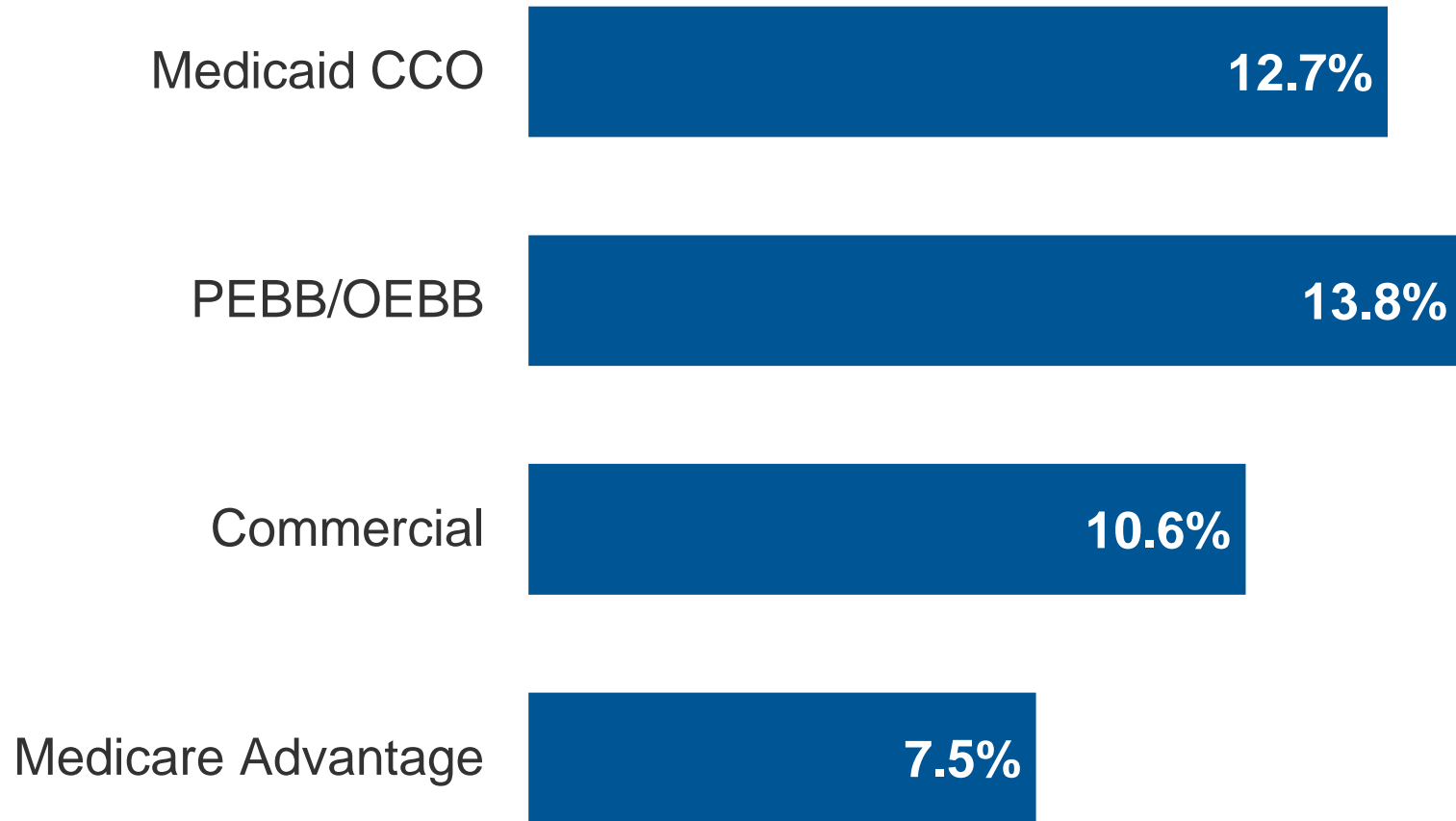
## "Primary Care Spending in Oregon" report

- Legislatively mandated report tracks:
  - Primary care spending as a percentage of total health plan expenditures
  - Per member per month primary care practice reimbursement
- Presented to the Collaborative annually to inform its work

## 2017 legislation mandated increased primary care spend to 12% target

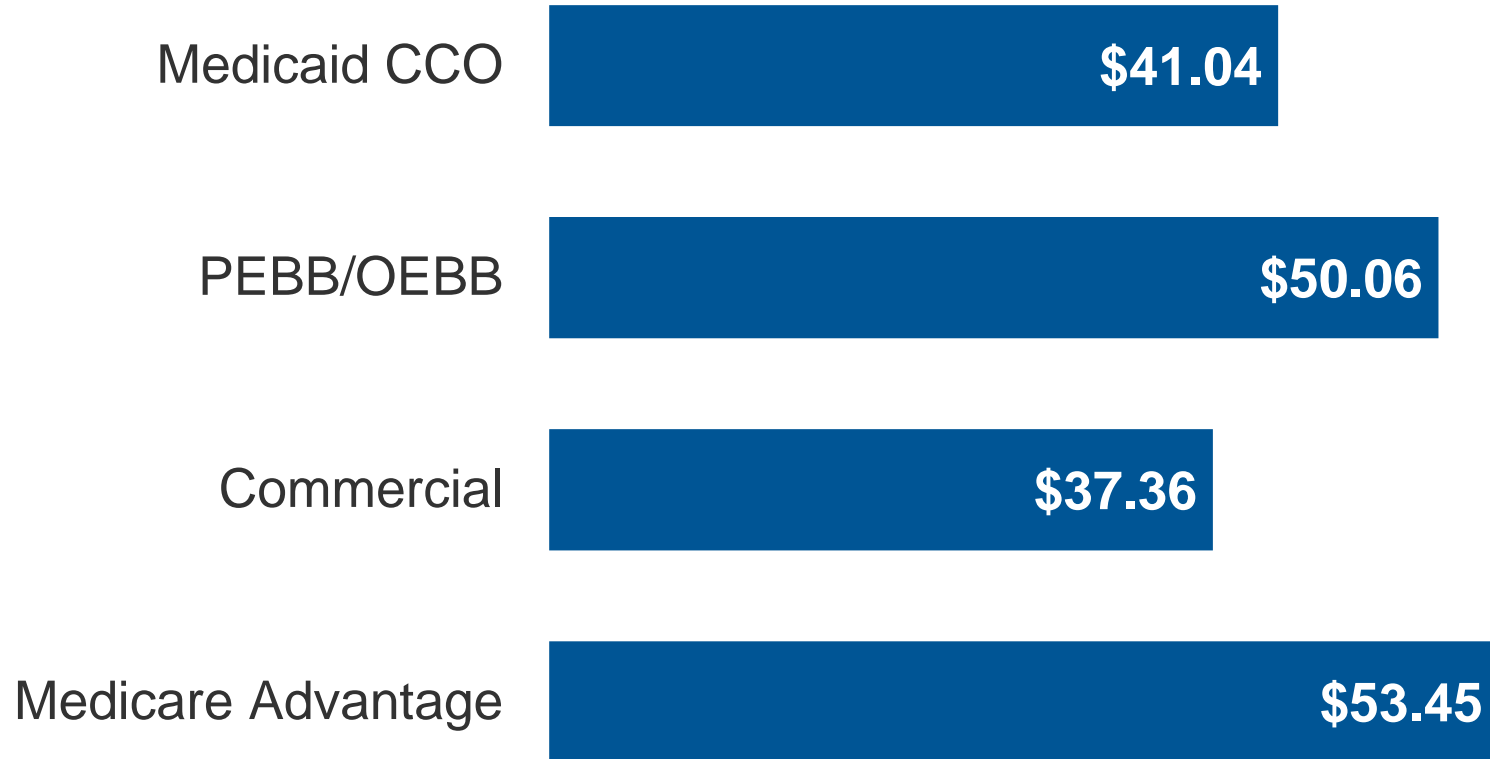
- Primary care spending report is used to track progress toward achieving target
- Target required as of 2023; data tracked via primary care spending report since 2016

# Average of each payer's primary care spending as percent of total expenditures in 2021



*Increasing payment for primary care*

# Average of each payer's primary care spending per member per month in 2021

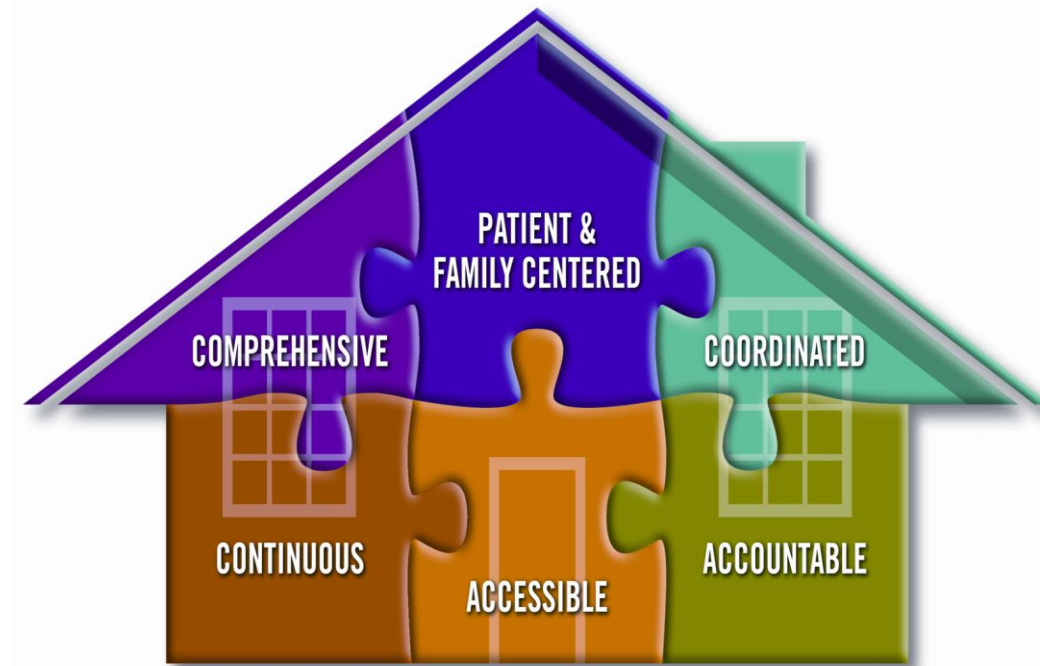


*Increasing payment for primary care*



# Patient-centered primary care home (PCPCH) program

- Established in 2009 by the Oregon Legislature to support the Triple Aim of better health, better care, lower costs
- Over 640 Oregon primary care practices are PCPCHs; three-quarters of all people living in Oregon receive care at a PCPCH
- PCPCH standards are developed via partnership between OHA and a volunteer advisory committee
- New equity designation for PCPCHs meeting equity-focused standards is under development



*Improving the primary care delivery system*

# PCPCH program evaluation: Proven return on investment

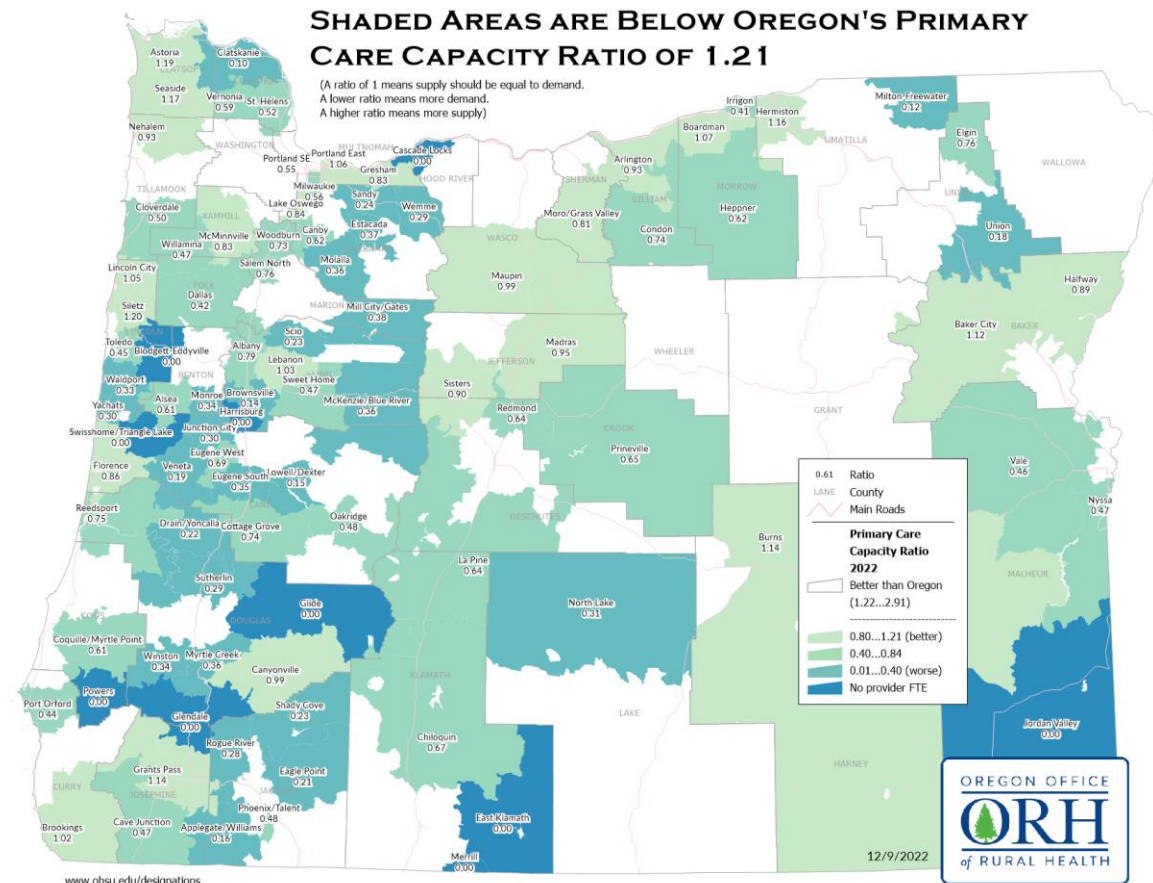
- Assessed PCPCH impact on health care expenditures and service utilization (Oct. 2011 – Sept. 2019)
- Compared with non-PCPCH clinics, PCPCHs resulted in:
  - Reduction of total health care expenditures per person by 6.3%, or approximately \$76 per person per quarter
  - An estimated \$12 in savings in other services, including emergency department and inpatient care, for every \$1 increase in primary care expenditures related to the PCPCH program
  - An estimated \$1.3B in savings over the program's first eight years, from approximately \$68M in its first year to \$200M in its eighth year

Source: Wallace, N. & Joyner, C. (2023). Evaluation of Oregon's Patient-Centered Primary Care Homes on Expenditures and Utilization from 2011 to 2019. <https://www.oregon.gov/oha/HPA/dsi-pcpch/Documents/PCPCH%20Eval%202011-19%20Final%20022423.pdf>

***Improving the primary care delivery system***

# Oregon's 2023 Health Care Workforce Needs Assessment & Primary Care

- HB 3261 (2017) mandates OHA assess the health care workforce to meet patient and community needs every two years
- Low primary care capacity is seen in areas throughout the state
- Promoting health equity requires recruiting, educating, and retaining a diverse primary care workforce
- To stabilize and diversify Oregon's workforce so it can deliver culturally responsive, effective primary care to all:
  - **Some** professions need increased compensation
  - **Many** professions need better paths for increasing skills, pay and impact
  - **All** need more resiliency and well-being



*Investing in the primary care workforce*

# Sample HOWTO Grant Program awards that strengthen the primary care workforce

- Four rural primary care residency programs
- Interprofessional primary care training institute
- Several Traditional Health Worker and frontline worker training programs

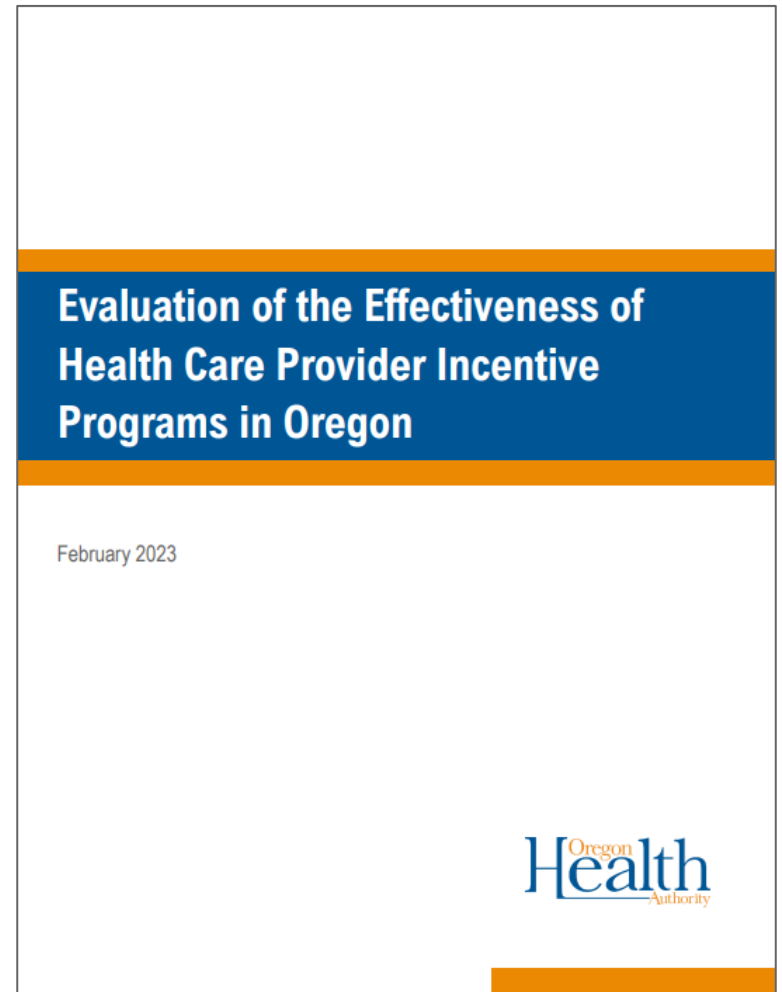


Source: HOWTO Grant Program. <https://www.oregon.gov/oha/HPA/HP-PCO/Pages/howto-grant-program.aspx>

***Investing in the primary care workforce***

# Evaluation of OHA Health Care Provider Incentives

- HB 3261 (2017) requires OHA to analyze data on participants in Oregon’s financial incentive programs (e.g., loan repayment, loan forgiveness, scholarships, grants, tax credits)
- Data on incentive program participants:
  - About 3,000 primary care students and practicing professionals joined Oregon’s health care workforce from 2018 to 2022
  - They will provide nearly 900,000 hours of primary care to ~340,000 patients during their service obligation period
  - Of those for whom race and ethnicity data was collected, 34% identify as people of color or Tribal members



***Investing in the primary care workforce***

# In summary

To help address the challenges the primary care system is facing, OHA uses various levers to support primary care:

- **Improving how primary care providers are paid**
- **Increasing payment for primary care**
- **Improving the primary care delivery system**
- **Investing in the primary care workforce**

**Thank you!**  
**Questions?**